



ANNUAL REPORT 2017

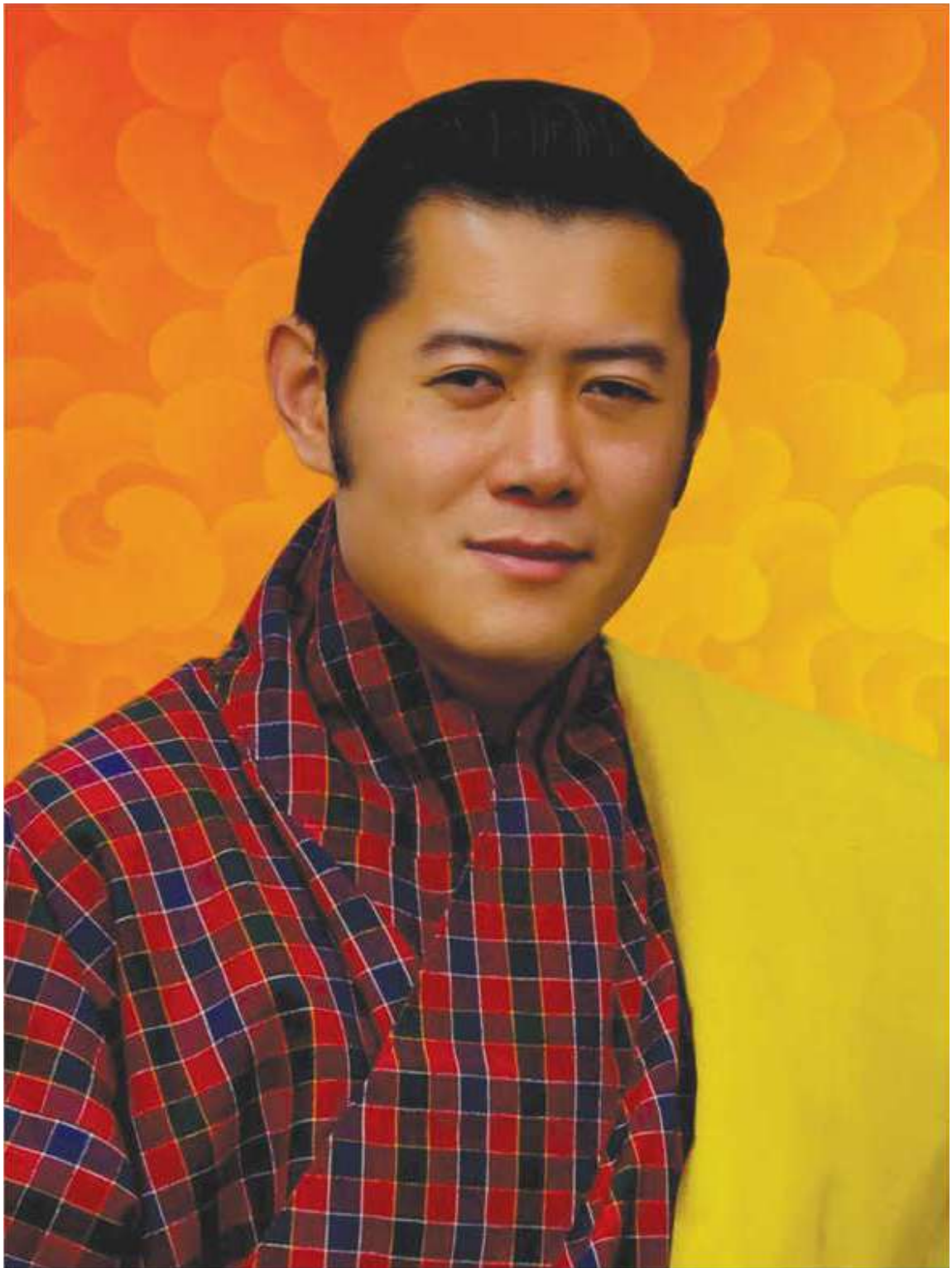


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Green Bhutan Corporation Limited



Green is a way of life



“Where we live must be clean, safe, organized and beautiful for national integrity, national pride, and for our bright future. This too is nation building.”

-His Majesty The King

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Message from Chief Executive Officer

We are pleased to report that Green Bhutan Corporation Limited (GBCL) has made significant achievement within one year of its establishment. GBCL has achieved gross profit of Nu. 3,629 million for year 2017 and achieved many other non-financial achievements such as internal Service Rules and Regulations, HRM and HRD Master Plan, Standard Operating Procedures (SOP) and Staff Welfare Scheme (SWS) etc.

The above initiatives helped the company in realizing the organizational goals, enhancing good corporate governance and strengthening systems and procedures. It has also helped the Management in responding effectively and efficiently to the needs of our employees, relevant stakeholders and agencies.

The major activities and main source of revenue for the company in year 2017 was from new creation of plantations and landscape development activities. GBCL has created more than 800 acres of plantations across the country in nine Dzongkhags in year 2017 and carried out landscape development works for three agencies.

On behalf of the Management and employees of GBCL, I would like to express my sincere gratitude to the Board of Directors, Ministry of Labour and Human Resources, Ministry of Agriculture and Forests, Department of Forests and Park Services, Divisional Forestry Offices, National Biodiversity Center and all other valued agencies and stakeholders for rendering their continued and unwavering support to GBCL.

Tashi Delek!



Damber S. Rai
Chief Executive Officer
Green Bhutan Corporation Limited
Thimphu

Director's Report

Dear Shareholder,

On behalf of the Board of Directors, Green Bhutan Corporation Limited, I am pleased to report on the company's performance for the year ended 31st December 2017 in this 10th Board Meeting cum Annual General Meeting of the Company held at Thimphu, today on the 23rd March 2018.

Background

Green Bhutan Corporation Limited was incorporated on 14th July 2016 and was formally launched on 3rd January 2017 by the Hon'ble Minister, Lyonpo Yeshey Dorji, Ministry of Agriculture and Forests. GBCL was incorporated as 100% State Owned Enterprise (SoE) under the Companies Act of Kingdom of Bhutan 2016 with the government's equity of Nu.33.300 million and additional equity in kind worth of Nu. 8,173,720.00 million with core mandates of re-afforestation and afforestation, landscape development and greening, planting medicinal plants and ornamental plants, floriculture, providing awareness on environmental policies and programs.

Financial Achievements

GBCL has created more than 800 hectares of plantation and maintenance of plantation in nine Dzongkhags and carried out landscape development activities for Thimphu Thromde, Royal Tshamkhang Project, Wangsisina and Financial Institutions for Training Institutes Limited, Thimphu. Established nurseries in Lamperi, Lumitsawa, Tsirang and Sarpang.

Company has generated the total revenue of Nu. 45,708,822.18 and the total expenditure was Nu. 42,079,701.13 incurred comprising of expenditures for material consumed (direct cost), employee benefits, administrative and other expenses.

GBCL has generated profit after taxation after deferred tax of Nu. 1,307,032.11 million.

Non-Financial Achievements

The Management has also put in their concerted efforts and initiated the following critical non-financial activities in year 2017 to realize the organizational goals, good corporate governance, enhancing and strengthening systems and procedures:

1. Developed Internal Service Rules and Regulations 2017;
2. Developed Long-term Business Plan (draft);
3. Developed HRM and HRD Master Plan;
4. Developed Standard Operating Procedure Document;

5. Developed Staff Welfare Scheme Guideline.

In order to enhance the productivity, knowledge, and skills of employees, GBCL has initiated the following professional development programs:

1. Finance for Non- Finance
2. Balanced Scorecard
3. Hands on Training for preparing budgets and estimates for new creation and maintenance of plantation
4. Hands on Training on GPS
5. Nursery Management
6. Geographic Information System
7. Business plan development
8. ICT Adoption in SMEs to enable business efficiency and effectiveness
9. Two employees attended GIS Training in Nepal
10. One employee attended six weeks training on Sustainable Livelihood and Mainstreaming with Market in Entpreneuership Institute of India, Ahmedabad, Gujarat
11. Seventeen employees visited floriculture, landscaping and medicinal plant plantation sites and centers in Kalimpong, Darjeeling, and Sikkim from 21st to 28th January 2018.

Initiated annual performance (Compact) signing of Company with the Board and further signed the compact with employees cascading the annual performance of the company to the lowest level of position.

Corporate Governance and Monitoring System

The GBCL Board constitutes of five Board Directors including the Chief Executive Officer. The Board provides strategic direction, guidance and monitors the performance of the company on a quarterly and as and when required. The Board meetings are conducted quarterly basis and also conducted depending on the urgency of the matter. GBCL Board met nine times after incorporation of company on 14th July 2016 -31st December 2017 in order to provide guidance and directions to start the execution of business and activities.

Strategic goals

GBCL is working towards achieving the following strategic goals and objectives:

1. Maintain carbon neutral;
2. Develop environmental and sustainable development inclusive plans and programs in order to minimize environmental impact;
3. Produce resource and energy efficient products and services to save natural resources;
4. Generate employment opportunities;



5. Maximize revenue and profits.

Acknowledgement

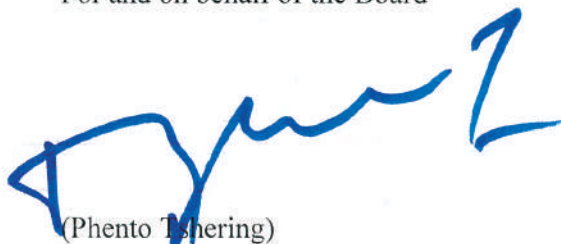
I, on behalf of the Board of Directors and the Management of GBCL, would like to express our deepest gratitude to the Ministry of Finance, Ministry of Labour and Human Resources, Ministry of Agriculture and Forests, Department of Forest and Park Services, Department of Macroeconomic Affairs, 30 Divisional Forestry Offices, National Biodiversity Center and all other valued agencies and stakeholders for rendering their continued and unwavering support to GBCL.

Conclusion

Finally, I, on behalf of the Board of Directors and the Management of GBCL, once again would like to ensure that the Company is governed and managed in professional and ethical manner in accordance with the trust and faith of the Royal Government and other relevant agencies have placed on us.

Tashi Delek!

For and on behalf of the Board



(Phento Tshering)
Chairman, GBCL

Vision, Mission and Mandates

Vision

- The nation's premier company in developing clean and green landscapes with climate smart interventions contributing to healthier natural environment and socio-economic development.

Mission

- Take a lead role in afforestation and watershed development programs in the country by developing new approaches independently, through joint ventures or through any other arrangements with domestic and international partners.
- Be a leading company in developing and improving urban and other areas with healthier natural environment, greener landscapes attracting more tourists and improving the health of the people.
- Be a responsible, proactive, progressive and self-sustaining company with a highly motivated and dedicated team of professionals.

Mandates

- Undertake afforestation program at large scale across the country including the establishment of regional central nurseries.
- Undertake landscape development and greening activities across the country.
- Develop recreational areas in urban and other strategic places.
- Production and supply of flowers and ornamental plants to beautify the surroundings.
- Provide consultancy service on green and environmental sectors.



Introduction

The Management and Employees of Green Bhutan Corporation Limited (GBCL) are honoured to publish the Annual Report for year 2017. The GBCL family would like to offer our deepest gratitude to the Royal Government, the Hon'ble Minister, Ministry of Agriculture and Forests (MoAF), Dasho Secretary, MoAF, Ministry of Labour and Human Resources (MoLHR), Department of Forest and Park Services (DoFPs) and GBCL Board for the guidance and encouragement bestowed on Green Bhutan Corporation Limited. GBCL has decided to publish annual report in order to keep track and conduct periodical review of opportunities and challenges we face while implementing activities, providing products and delivering services. The report is also intended to provide reference and guidance while developing future plans and activities.

Scope of the Report

The Annual Report covers the highlights of activities carried out for period of 12 months from 3rd January 2017 to 31st December 2017 as mentioned below:

- a) Human Resource Management and Development programmes;
- b) Rules and regulations, systems and guidelines developed in 2017;
- c) Performance Management System initiated in 2017;
- d) Details on source of revenue for year 2017;
- e) New creation and maintenance of plantation carried out in 2017;
- f) Establishment of nurseries;
- g) Landscape Development Activities carried out in 2017;
- h) Handing taking of new creation and maintenance of plantation sites for 2018;
- i) Key challenges and issues.

Corporate Profile

The establishment of GBCL was drawn from His Majesty's message delivered at the first Royal Bhutan Flower Exhibition on 1st April 2015 at Paro. GBCL was formally launched on 3rd January, 2017 by the Hon'ble Minister, MoAF. GBCL was incorporated as a 100% State Owned Enterprise (SoE) under the Companies Act of Kingdom of Bhutan 2016 with the government's equity of Nu.33 Million and additional equity worth of Nu. 8.556 million in kind for following machines and vehicles:

- | | |
|--|--------------------|
| a) Santafée (2011 model) | : Nu 0.383 million |
| b) Excavator (2015 model) | : Nu 4.455 million |
| c) JCB Mini Tract Excavator (2014 model) | : Nu 2.880 million |
| d) Dump Truck (2005 model) | : Nu 0.838 million |

The mandates of GBCL are to undertake afforestation program at large scale across the country, undertake landscape development and greening activities, develop recreational areas in urban and other strategic places, production and supply of flowers and ornamental plants, and to provide consultancy service on green and environmental sectors.

GBCL has undertaken the afforestation and reforestation activities across the country through mass plantation and has completed the plantation of around 400 hectares in 2017 and around 1000 hectares of plantation will be created annually henceforth to maintain the constitutional mandate of maintaining 60% forest coverage at all times.

Launching of Green Bhutan Corporation Limited



Composition of GBCL Board

The management of GBCL is headed by the Chief Executive Officer and supported by functional heads looking after the management of the day-to-day affairs of the company.

The GBCL Board is comprised of five Board Directors including the Chairman and Member Secretary. The CEO reports to the Board on the policy, planning, operation, management and the performance of the company. The Board is assisted by a Company Secretary and Legal Counsel.

Brief Profile of the Board Directors



Mr. Phento Tshering is the Chairman of Green Bhutan Corporation Limited, Board. He is currently the Director of Department of Forests and Park Services, Ministry of Agriculture and Forests. He has begun his career in 1994 and he has Masters in Mountain Forestry.



Dr. Tashi Yangzome Dorji is the Director of Green Bhutan Corporation Limited, Board. She is currently the Program Director of National Biodiversity Center, Ministry of Agriculture and Forests. She has begun her career in 1995 and she has M. Sc in Wild Animal Health.



Mrs. Kezang Deki is the Director of Green Bhutan Corporation Limited, Board. She is currently serving as Chief Industry Officer in Department of Industry, Ministry of Economic Affairs. She has begun her career in 2004 and she has Masters in Structural Engineering.



Mr. Sonam Tenzin is the Director of Green Bhutan Corporation Limited, Board. He currently is serving as Chief Planning Officer in Department of Macroeconomic Affairs, Ministry of Finance. He has begun his career in 1998 and he has MBA in International Business.

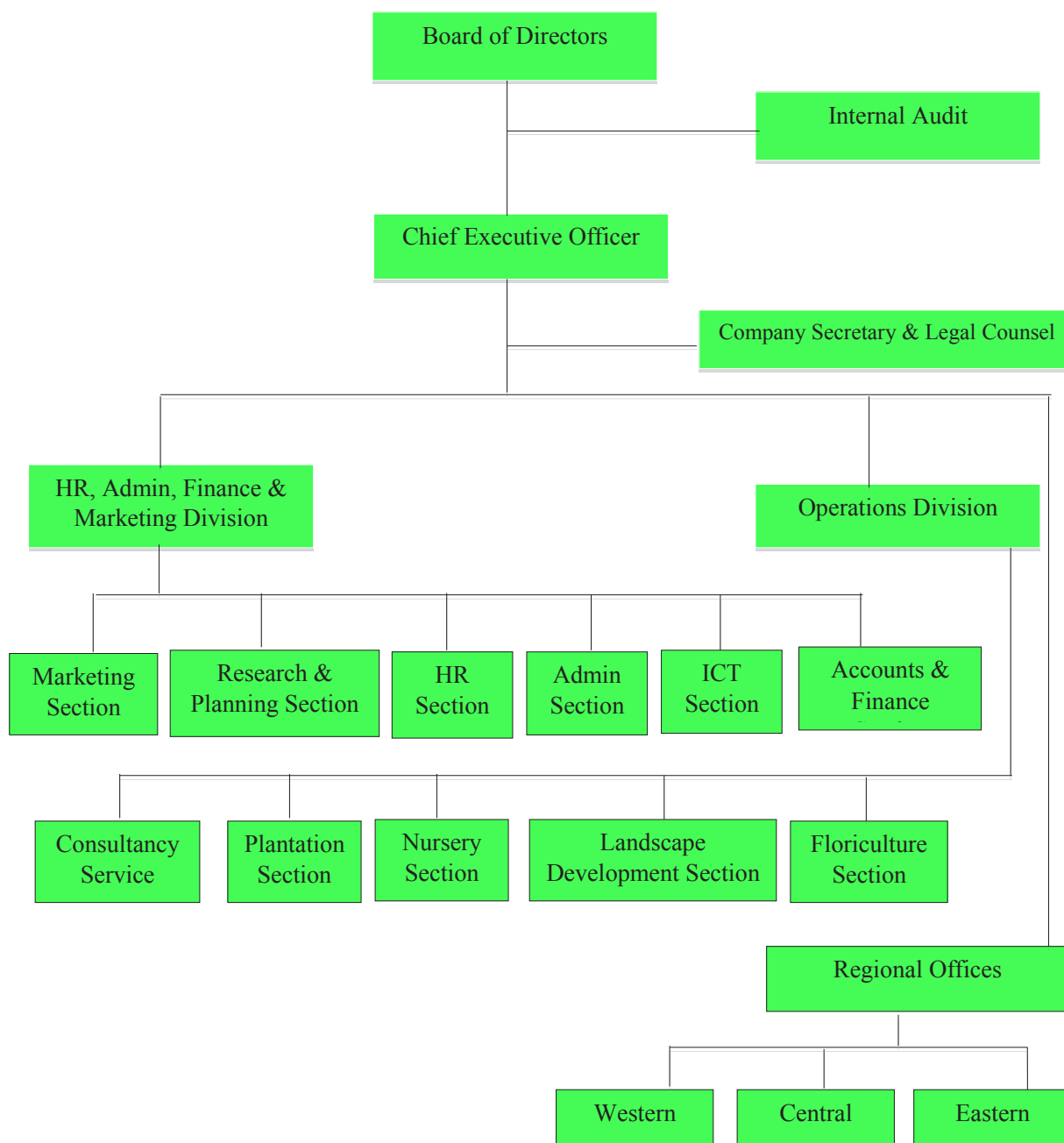


Mr. Damber Singh Rai is the Chief Executive Officer Green Bhutan Corporation Limited. He has begun his career in 1987 and has Masters in Environment Management and Reforestation. He has gracefully resigned from civil service in 2016 after rendering more than 30 years of dedicated services in civil service holding various positions in many agencies.

Green Bhutan Corporation Limited has conducted 5 Board Meetings in year 2016 and 4 Board Meetings in 2017 as mentioned below:

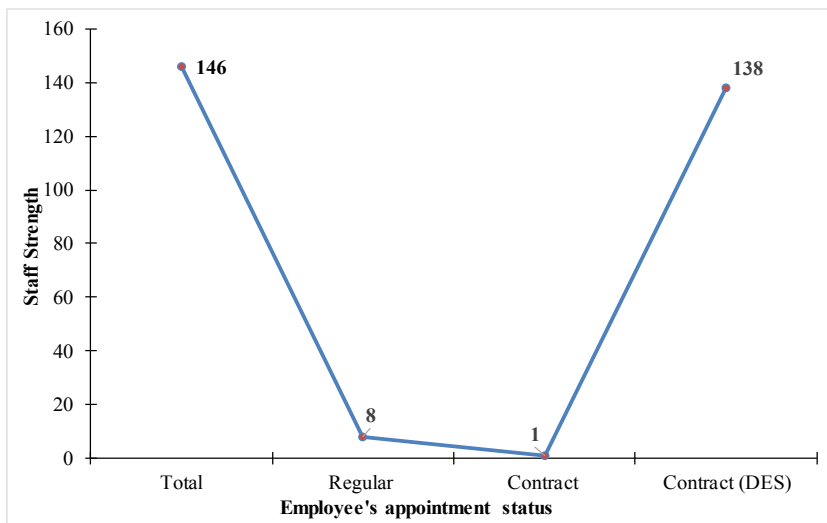
1. 29th June 2016
2. 5th August 2016
3. 4th November 2016
4. 7th November 2016
5. 21st December 2016
6. 4th February 2017
7. 22nd June 2017
8. 24th June 2017
9. 22nd November 2017

Organization Structure of GBCL



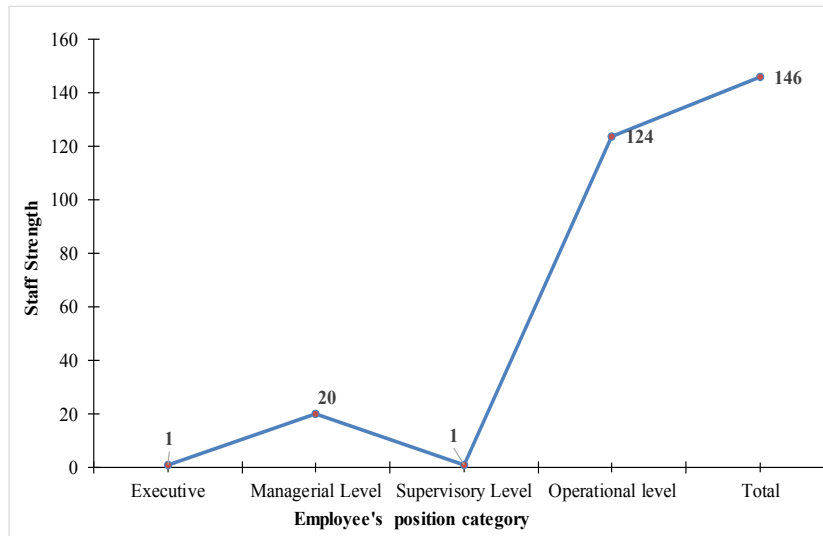
Staffing Profile of Green Bhutan Corporation Limited as of 31st December 2017.

Composition of existing employee by appointment status



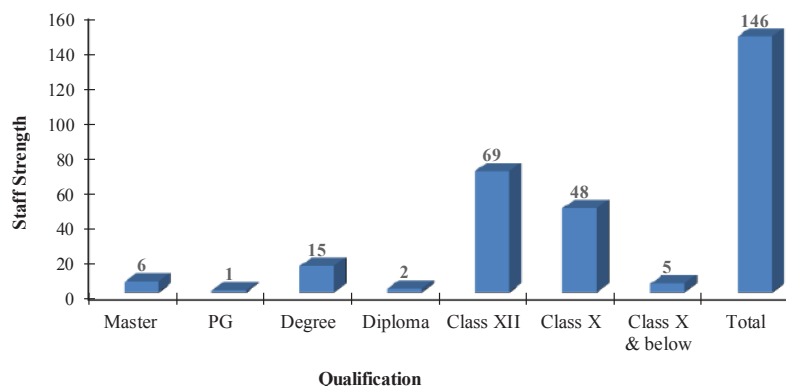
The staff strength of GBCL is 146 comprising of 8 regular employees, 1 contract and 138 employees recruited under Direct Employment Scheme (DES) through MoLHR. As of 31st December 2017, GBCL has recruited 170 DES employees and 32 DES employees have voluntarily resigned in order to join other agencies and personal reasons.

Composition of current employee by position category



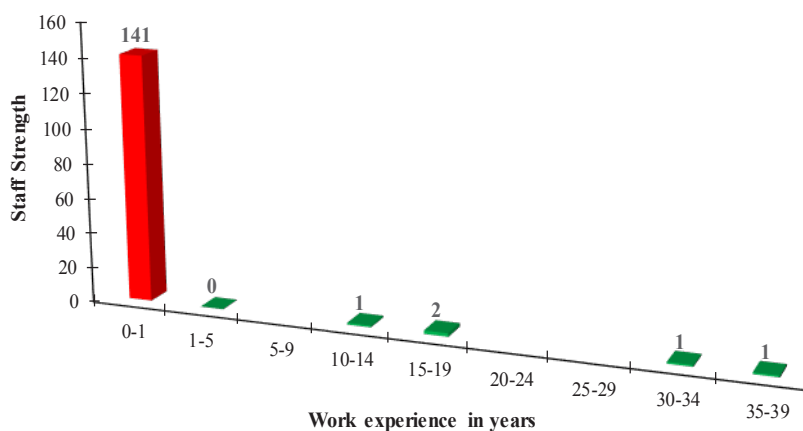
As on 31st December 2017, of the total 146 employees, 85% of the employees represents the operational level and more than 90% of the employees are posted in field who are physically working in the field.

Composition of existing employee by qualification



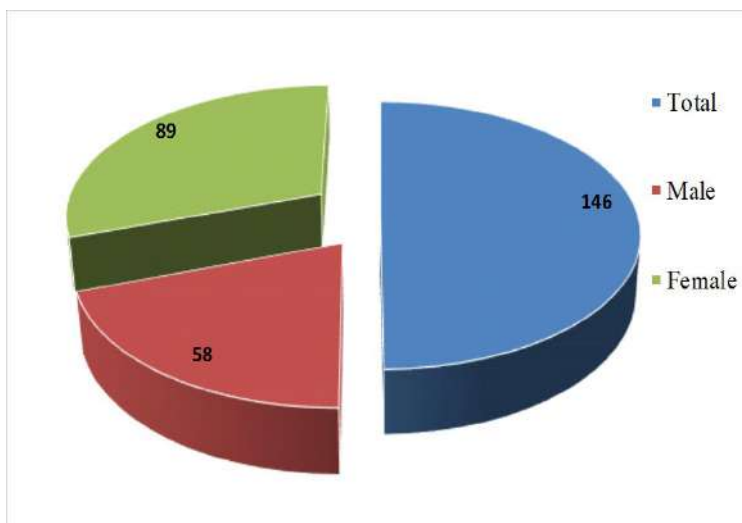
As of 31st December 2017, 84% of the employees are with class XII and below qualification and only 15% of the employees have educational qualification of degree and above.

Distribution of employee by work experience



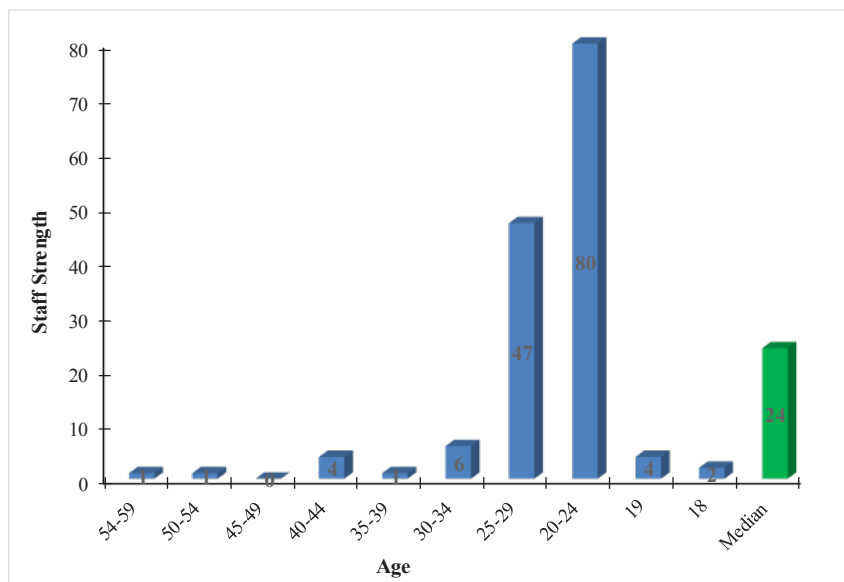
As of 31st December 2017, of the total 146 employees, 97% of the employees are with less than one year work experience.

Composition of employee by gender



As of 31st December 2017, of the total 146, 61% employees represent the female employees and only 39% of the employees are male.

Distribution of current employee by age group



The average age of the employees in GBCL is 24 years and 91% of the employees are below 29 years old indicating very young and productive work force. More than 80 employees are between ages of 20 to 24 years.

Introductory session and briefing from the Hon'ble Lyonpo, Ministry of Agriculture and Forests, Board of Directors and other relevant officials from MoAF at Namgay Heritage.



The Hon'ble Lyonpo, Ministry of Agriculture and Forests along with the Board of Directors briefed newly recruited staffs of GBCL. The Hon'ble Lyonpo highlighted the importance and mandates of GBCL for conservation and protection of environment in the country. The Hon'ble Lyonpo also highlighted on the youth and unemployment issues and initiatives undertaken by the Government to solve unemployment problem. The officials interacted with newly recruited employees.

Launching of Internal Service Rules and Regulations 2017, Company's Websites, Staff Welfare Scheme Guidelines 2017

The Hon'ble Secretary, Ministry of Agriculture & Forests, Chairperson and Board Directors of GBCL Board launched the Internal Service Rules and Regulations 2017 (SRR 2017), Company Website and Staff Welfare Guidelines on 24th October 2017 at Namgay Heritage.

The SRR 2017 came into effect from 19th September 2017.



Social Forestry Day



GBCL inaugurated the first plantation work in Tsirangtöe in collaboration with Tsirang Forestry Division Office.



To commemorate the Coronation day of our beloved Fourth Druk Gyalpo Jigme Singye Wangchuck, Social Forestry Day was celebrated on 2nd June across the country with the theme *"Plant a tree today for your Child's tomorrow"*.



To celebrate the day, the MoAF coordinated mass plantation program at Agro-Forestry Project Site at Samazingkha. The program was graced by Hon'ble Lyonpo MoAF, where more than 200 participants from various departments including GBCL staff participated in the celebration.

Compact Signing

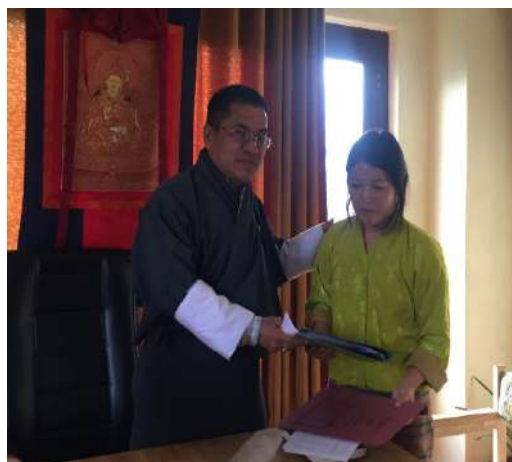
The compact signing was introduced in order to track commitment from different levels of employees in fulfilling the overall mandates and objectives of the company. The overall work plan or compact of Chief Executive Officer was presented in Board Meeting and accordingly based on Board's comments and changes the CEO's compact was signed with the Chairman, GBCL Board. The CEO's compact contains the overall commitment of the company for the year 2017 based on the commitments made by the Divisions. Further, Divisional heads initiated the compact signing with the supporting staff cascading work plan and activities.

The compact signing of Division Heads and the Management on 8th September 2017.

Compact Signing between Chief Executive Officer and Division Heads



Compact Signing between CEO, Company Secretary and Personal Assistant



Compact Signing between GM and Section Heads (Human Resource, Administration, Finance and Marketing Section)



Compact Signing between GM Operations Division and Senior Plantation & Nursery Manager



Compact Signing between GM Operations Division and Section Heads (Floriculture, Landscaping)

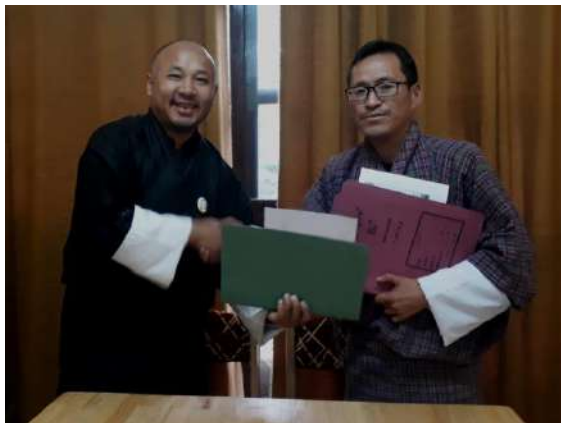


Compact Signing between Senior Plantation & Nursery Manager and Plantation Managers





Compact Signing between Senior Plantation & Nursery Manager and Site In-charges



Compact Signing between Assistant Administrative Officer and Supporting Staff



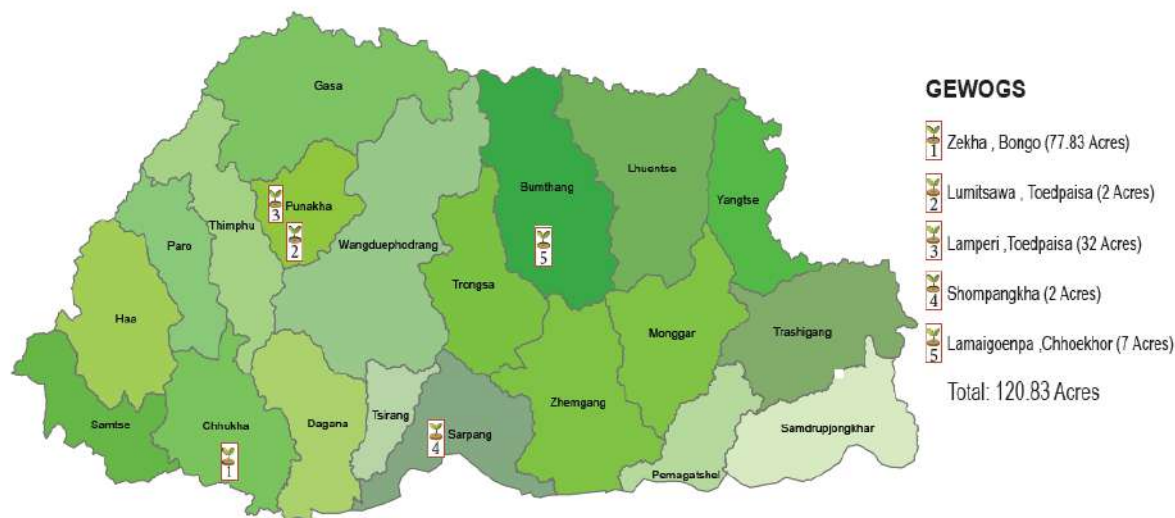
An overview activities of GBCL

Nurseries Activities



A total of 120.83 acres of nursery and medicinal plantation sites were identified in places like Zekha, Chhukha (77.83 acres), Lumitsawa, Punkha (2 acres), Lamperi, Punakha (32 acres), Shompangkha, Sarpang (2 acres) and Lamaigoenpa, Bumthang (7 acres) to supply quality medicinal saplings and other ornamental plants. The details of nursery and medicinal plantation sites for the year 2017 is shown in the below map.

Green Bhutan Corporation Limited Nursery/Medicinal Plantation Sites – 2017



GBCL has started 0.5 hectares of agarwood nursery at Shompangkha, Sarpang.

The Memorandum of Understanding (MoU) was signed between the Department of Forest and Park Services (DoFPS) and GBCL to establish nurseries, carryout plantation of medicinal and ornamental plants at Lamperi for duration of 10 years.

The chain-link fencing covering a total area of 30 acres was carried out by DoFPS, MoAF.

The Company has also started planting root-balled *Hypericum* for the creation of hypercium garden, other works like nursery layout and filling of poly pots have been completed.

Foundation of staff quarter construction, procuring construction materials such as timber and sand was achieved as of 31st December 2017.

Establishment of nurseries and construction of staff quarter at Lamperi shall be a priority in 2018

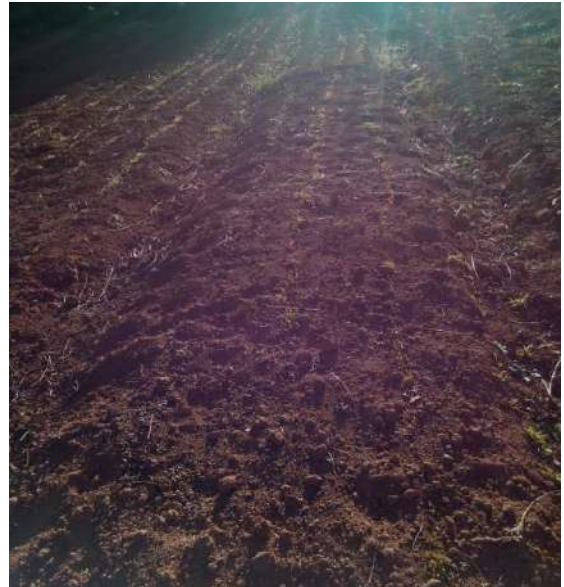




The company has started nursery work at Lumetsawa. Technicians stationed at Lumetsawa have raised seedlings such as *cotoneaster*, *zantho xylum* and *benthamidia sp.* and have carried out the maintenance of fencing work. The maintenance of staff quarter will be carried out in 2018.

GBCL with the assistance from Yusipang Research Center (YRC) has broadcasted seeds of *pseudo gingseng* and *Paris pollyphylla*.

Three hundred numbers of root ball *Hypericum* at Lamaigoenpa, Bumthang.



Pictorial representation of Nursery activities at different sites





New creation plantation in 2017

GBCL has carried out plantation across the country covering 10 Dzongkhags. The new creations of plantation sites are shown in below map.



Pictorial representation of plantation activities at different sites







The details of plantation sites, area, types of seedlings planted and funding agencies for new creation of plantation 2017 are as mentioned below in the table below:

Sl. No	Dzongkhag	Location	Area (Ha)	No of sites	Type of seedling		Funding Agencies
					Scientific name	Local name	
1	Samtse	Sajbotey	16	3	<i>Tectona grandis</i> , <i>Michelia champaca</i> , <i>Lagerstroemia hirsute</i> , <i>Gmelina arborea</i> , <i>Chukrasia tabularis</i> , <i>Duabanga grandiflora</i> , <i>Terminalia myriocarpa</i>	Tsamarshing, Kashing, Dongkashing, Gamarshing, Chuzim, Patangshing, Bupshing.	RGoB
2	Chukha	Taguna	24	2	<i>Michelia champaca</i> , <i>Prunus nepalensis</i> , <i>Chukrasia tabularis</i> , <i>Magnifera indica</i> , <i>Exbucklandia populnea</i> , <i>Acer campbellii</i> , <i>Juglans regia</i> , <i>Dendrocalamus spp.</i> <i>Bauhinia purpurea</i> , <i>Terminalia myriocarpa</i> , <i>Duabanga grandiflora</i> , <i>Artocarpusheterophyllus</i> , <i>Gmelina arborea</i> , <i>Benthamedia capitata</i>	Kashing, Khamgoshing, Chuzim, Amchukuli, Chenjushing, Pchalam, Tashing, Bamboo, Zibzibshing, Bumshing, Patangshing, Damtse, Gamarshing, Phoitse	RGoB
3	Trongsa	Plantation Dorji Gonpa Kowdhang, Bhumophai, Bumjee Goenpo, Ngyala & Drangla CF, Tsangkha CF, Semjee CF, Eusa-Barpo CF, Pangzur CF	115	13	<i>Cupressus corneyana</i> , <i>Pinus wallachiana</i> , <i>Prunus cerasoides</i> , <i>Quercus griffithii</i> , <i>Acer campbellii</i> , <i>Prunus persica</i> , <i>Dorcynea indica</i> , <i>Juglan Regia</i>	Tsenden, Tongphu, Khamgoshing, Sisishing, Pchalam, Khamshing, Tongshing, Tashing	MHPA, Thyel (Tangsibji), RGoB

		Land Management Campaign		3	Tangsibji, Surge Shaft to Power House. Dam Site Adit-I		
4	Trashigang	Bartsam	45	1	<i>Pinus roxburghii</i> , <i>Pinus wallichiana</i> , <i>Cupressus corneyana</i> , <i>Michelia champaca</i> <i>Toona Ciliata</i> , <i>Acer campbellii</i> , <i>Exbucklandia populnea</i>	Thetongphu, Tongphu, Tsenden, Kashing, Chhunshing, Pchalam, Chenjushing	RGoB
5	Wangdue	Menchugang, Nobding, Gobja	41.5	3	<i>Tsuga dumosa</i> , <i>Pinus wallachiana</i> , <i>Abies densa</i> , <i>Larix griffithii</i> , <i>Rhododendron arboreum</i> , <i>Dendrocalamus spp</i> , <i>Cupressus sp.</i> <i>Pinus sp.</i> <i>Benthamedia capitata</i> , <i>Picea spinulosa</i>	Bashing, Tongphu, Dungshing, Zashi, Aetoshing, Bamboo, Tsenden, Tongphu, Phoitse, Seshing	Watershed Management Division, PHPA & RGoB
6	Lhuentse	Chuzergang, Gangteyzee	10	2	<i>Acer campbellii</i> , <i>Schima Wallichii</i> , <i>Juglans regia</i>	Pchalam, Puyamshing, Tashing	Watershed Management Division
7	Dagana	Hari pokheri	40	1	<i>Michelia champaca</i> , <i>Phoebe altenuata</i> , <i>Cupressus sp.</i>	Champ, Angarey, Tsenden	PHPA I
8	Samdrup Jongkhar	Bagtar	16	1	<i>Tectona grandis</i> , <i>Toona ciliate</i> , <i>Michelia champaca</i> , <i>Juglan regia</i>	Tsomarshing, Chhunshing, Khashing, Tashing	RGoB
9	Tsirang	Bagtar, Lalikharka, Balaypothi, Tsirangtoe	63	4	<i>Tectona grandis</i> , <i>Cupressus sp.</i> <i>Micheliachampaca</i> , <i>Phoebe altenuata</i> , <i>Terminalia mycriocarpa</i>	Tsomarshing, Tsenden, Khashing, Thennab, Bupshing	PHPA II & RGoB
10	Paro	Nichephu	5	1	<i>Cupressus cornyea</i> , <i>Benthamedia capitata</i> , <i>Quercus griffiti</i>	Tsenden, Phoitse, Sissishing	RGoB

Landscaping activities

a. Landscaping at Tshamkhang Project at Wangsisina

The company has executed the landscaping activities in Tshamkhang Project at Wangsisina.

The company will be carrying out the second phase of landscaping works in 2018.



b. Landscaping and beautification work for Financial Institution Training Institute Thimphu (FITI)

The landscaping and beautification work for FITI, Thimphu was carried out by GBCL. Different species of flowers and other ornamental plants such as *camellia*,

callistemon, bamboo, *jasminum officinale*, *summer azalea* and *hydrangea* were planted to enhance the aesthetic value and landscape view.



c. Thromde Landscaping

The Company has supplied more than 1635 root-balled plants to Thimphu Thromde for city beautification at Olakha recreational park. The supplied root-balled plants are as mentioned below:

Sl. No	Species	Quantity (Nos)
1	Quercus lamellosa	30
2	Quercus semicarpifolia	20
3	Quercus sp.	30
4	Quercus griffithii	15
5	Benthamedia capitata	40
6	Pinus wallichiana	40
7	Pinus roxburghii	20
8	Rhododendron arboretum	40
9	Prunus spp.	30
10	Acer campbellii	30
11	Picea smithiana	10
12	Cotoneaster spp.	400
13	Juniper squamata	30
14	Tanacetum tibetium	100
15	Hypericum spp.	400
16	Ceratostigma	400
	Total	1635

The Company is exploring opportunities for landscape development works across the country and the company has proposed to take up landscaping activities of the following agencies and institutions in 2018:

- a) Punatsangchhu Hydropower Project Authorities I and II
- b) Hotel Le-Meridian , Paro
- c) Hotel Bhutan Spirit Sanctuary, Paro
- d) Royal Law College, Pangbisa, Paro.

Mass plantation at Nichephu

The mass plantation program was initiated at Nichephu, Paro on 11th August, 2017. The main objective to provide practical experience and hands on training to head office staff and it was also aimed to understand the challenges and difficulties faced by field staffs.

The Chief Executive Officer demonstrated planting techniques especially for head office staff who are new to plantation activities.



Orientation and briefing program for newly recruited employees under Direct Employment Scheme (DES)

On 22nd December 2017, the newly recruited employees were welcomed in an orientation program. The program was organized by the Chief Executive Officer and General Managers of two respective divisions mainly focusing on the following topics:

- a) Brief profile of the company;
- b) Company's vision, mission, mandates;
- c) Products and services of the company;
- d) Organizational structure of the company;
- e) Terms and Reference;
- f) Code of conduct and ethics;
- g) Values;
- h) Awareness on youth employment issues and the Royal Governments' effort to solve unemployment issues.

The CEO acknowledged MoLHR for initiating Direct Employment Scheme (DES) that supports the youth through various

modes of engagement and training programs.

The DES program provides skill training in various fields, creates a pool of skilled and semi-skilled human resources, promote and inculcate dignity of labour and addresses the shortage of human resources in the country.



Friday Forum



GBCL is a newly established company and as of 31st December 2017, 97% of employees are with less than one-year work experience. Considering limited work experience, the Management has initiated the Friday Forum in order to upgrade the knowledge and skills of Assistant Managers.

Friday Forum is a weekly opportunity for the Assistant Managers to present on topics of their choice. The presentation is followed by an open discussion moderated by CEO, General Managers and Senior Manager. The forum seeks to create an open and intellectually stimulating environment for all the Assistant Managers to come together and think critically about the current issues, challenges in society and world at large. Assistant Managers are also given a platform to improve their presentation skills and enhance their professional and technical knowledge. Friday Forum is conducted every Friday from 4 to 5 pm in Conference Hall.

The presentation topics covered in Friday Forum in 2017 are:

Sl. No	Presentation Topic	Presenters
1	Report on Development of Business Plan for Forestry Sector	1. Ms. Dorji Chezom, Assistant Marketing Manager 2. Ms. Purmila Gurung, Assistant Nursery Manager
2	Market analysis on Medicinal plants	Ms. Dorji Chezom, Assistant Marketing Manager
3	Basic concept of GIS	Ms. Karma Uden, Assistant ICT Manager
4	GIScience Assessing Feasibility of Agricultural Diversification in the Himalayas	1. Ms. Karma Uden, Assistant ICT Manager 2. Ms. Lenmit Lepcha, Assistant Plantation Manager
5	Mapping of fire prone areas in Bhutan	Ms. Karma Uden, Assistant ICT Manager
6	ArcGIS for the Environment	Mr. Sonam Jamtsho, Assistant Landscape Development Manager
7	Presentation on Companies Act of	Ms. Kezang Choden, Company Secretary and

	Bhutan 2016	Legal Counsel
8	Basic Concepts of Landscape Design	Mr. Sonam Jamtsho, Assistant Landscape Development Manager
9	1. Ethics and Integrity Management 2. Managing Conflicts of Interest (<i>Mechanism to Transparency & Accountability</i>) 3. Presentation on the Revised Asset Declaration (AD) Rules & Online AD Administration	Mr. Kinley Tshering, Assistant Administrative Officer
10	Floriculture, Ornamental Plants and Waste Wood Furniture.	Ms. Tshering Yangdon, Assistant Floriculture Manager
11	Presentation on mushroom cultivation and business analysis	Ms. Ugyen Lhatshok, Assistant Plantation Manager

Human Resources Master plan

The Management presented the draft Human Resource Management and Development Plan for 10 years in 10th Board Meeting. The proposed Human Resource Management and Development Plan contains the detailed analysis of staffing, training needs analysis, issues and challenges, HR objectives, priorities and strategies.

Standard Operating Procedures

The Company has developed Standard Operating Procedure (SOP) which is an integral part of a successful quality system as it provides divisions, sections, units and an individual employee with the information to perform a task properly, and facilitates consistency in the quality and integrity.



Staff Welfare Scheme Guidelines



The Company has developed Staff Welfare Scheme (SWS) in order to share the financial burden and provide sense of security to employees and their immediate family members during times of misfortune.

Participation in 14th National Job Fair

On 17th to 18th May 2017, GBCL participated in the 14th National Job Fair organized by MoLHR at Changlingmithang.



Participation in Nationwide cleaning campaign

GBCL participated in the nationwide cleaning campaign on 9th December 2017 in order to mark the 11th year of enthronement of His Majesty The King. A total of 14 GBCL staff from Head office participated in the cleaning campaign at Kuenselphodrang.



HR capacity development

GBCL has proposed funding support from MoLHR for HR capacity. Accordingly MoLHR has released Nu 2.2 million for HR capacity development. The company has conducted series of in-house training in Bhutan Institute for Training and Development (BITAD), Babesa from 5th to 14th of October 2017. On dated 16th to 18th October 2017, training was organized by Operations Division conducted at GBCL head office.

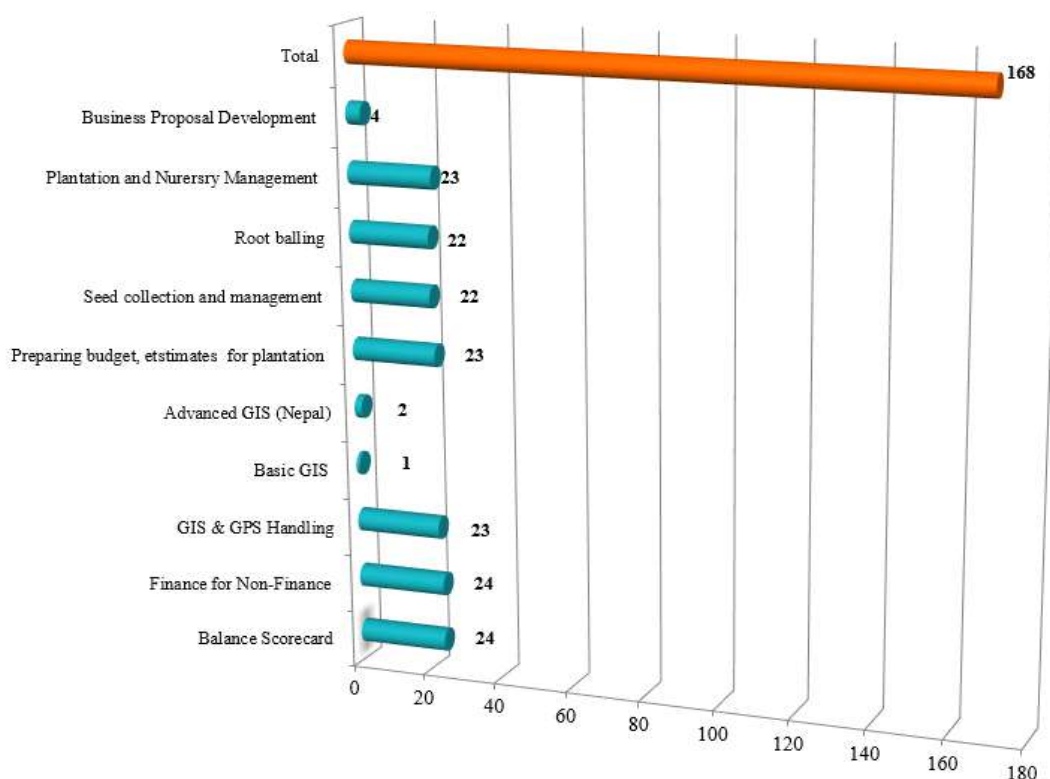
Few staff were also given opportunity to train in other country to be equipped with the right skills, knowledge and abilities to perform their assigned duties and responsibilities.

Considering the importance of employee competencies and skills development, GBCL will continue many in-house training programmes in 2018.





The below graphs explains the detailed training programmes and participants.



Brief details of training programmes:

Finance for Non-Finance Training from 3rd to 5th October 2017

The course has provided basic financial principles and generic financial management tools necessary for decision-making. It has raised the level of financial awareness of participants and it will provide skill to make better short term or long-term decision for managing business and preparing budget estimates.

The main objective of the course was for understanding the financial information such as balance sheet, profit and loss account, cash flow statement, preparing budget and estimates. The course also covered other important topics on inventory management, costing and pricing strategies. Participants were able to manage revenues, costs, profits and cash more efficiently, prepare realistic budget and estimates.

Balanced Scorecard from 7th to 11th October 2017

Balanced Scorecard is implemented by various Corporations and Business entities across the globe. It has also been incorporated by DHI companies and other corporations in Bhutan as a management tools for formulation of corporate strategic plans, performance measurement, monitoring and evaluation of achievements and results.

Within 4 days of professional development course, the participants were equipped with the necessary knowledge and skills in deriving corporate strategies, action plans, performance indicators, individual work plans and outcome evaluation.

Hands on training for preparing budget and estimates for new creation and maintenance of plantation on 6th October 2017.

One day session for preparing budget estimation for new creation and maintenance of plantation was conducted by Social Forestry and Extension Division (SFED), DoFPS in order to familiarize participants on budgeting processes and to prepare realistic budget estimates.

Hands on GPS Training 12th to 13th October 2017

A Resource Person from DoFPS conducted a basic training on GPS handling and GIS mapping techniques which is essential for conducting proper survey, selection of plantation sites and producing site maps.

Session on Accounting and Financial System 14th October 2017

The session was aimed to familiarize accounting systems and procedures while carrying out new creation and maintenance of plantation.

Training on Nursery Management, Creation and Maintenance of Plantation from 16th to 18th October 2017 was conducted by Operations Division.

The training mainly focused on grooming all the Field Managers and In Charges to be better equipped with knowledge of the practicality of the field work. They were trained about the preparation of budget estimates of plantation/Nursery, Nursery development and the essential procedures to be followed while executing plantation/ Nursery. The knowledge gained from training will be ultimately imparted to field staffs stationed at various sites across the country.

Internship Programme in Israel

Through Ministry of Agriculture and Forests, 10 plantation and nursery technicians are currently undergoing 11 months Internship program in Israel. The internship program consists of theoretical studies and agriculture practical works such as floriculture, mushroom, citrus and vegetables under different farm. The practical training work will include professional guidance and instruction, mainly through briefings and instructions prior to commencement of work. They will be awarded with Diploma certificate, which is a wonderful opportunity.

The selected technicians will undergo the internship program from 28th September 2017 to 5th September 2018.



Distribution of GBCL calendars and souvenirs

GBCL has distributed company calendar, brochures, souvenir cup printed with GBCL logo and introduction letter to Ministries, Hydroelectric Power Projects, Dzongkhag Administrations, Thromdes and other relevant agencies in order to introduce and promote products and services of GBCL.



Guest Visit at Head Office

Besides visitors from various ministries, departments, agencies and Hydroelectric Power Projects. The following international guest also visited the GBCL Head Office in 2017:

- a) Mr. Thomas Holz, General Manager from Germany for green tea business;
- b) Mr. Soukthavy Chowdhury, Vice Chairman of HSMM Group of companies, Laos PDR for agar wood business.

Key challenges and issues

- a) Lack of resources;
- b) Lack of experience and capacity;
- c) Lack of infrastructure.

Handing taking of new creation and maintenance of plantation 2018.

In accordance with the directives and encouragement from the Department of Forests and Park Services, GBCL has initiated to take over the new creation and maintenance of plantation sites for 2018 across the country in collaboration with Divisional Forest Offices.

The Management and employees of GBCL would like to offer deepest gratitude to all Chief Forestry Officers and Forestry Officials working across the country for their continued support and guidance during field visits.

Wangdue Division

GBCL has officially taken over 12 new creation of plantation sites with total area of 60.8 hectares and 22 maintenance of plantations sites with total area of 122 hectares from Divisional Forest Office, Wangdue on 6th November, 2017.



Dagana Division

GBCL has officially taken over 1 new creation of plantation site with total area of 60 hectares and 17 maintenance plantation sites under PHPA-I funding with total area of 188.5 hectares from Divisional Forest Office, Dagana on 3rd November, 2017.

**Tsirang Division**

GBCL has officially taken over 3 new creation of plantation sites with total area of 65 hectares under PHPA II funding and 13 maintenance of plantation sites with total area of 174.64 hectares under RGoB and PHPA-II funding from Divisional Forest Office, Tsirang on 28th September, 2017.



Bumthang Division

GBCL has officially taken over total area of 52.5 hectares of new creation and 307.51 hectares of maintenance of plantation on 15th November, 2017 from Divisional Forest Office, Bumthang. The plantation activities comprises of compensatory afforestation program of Mangdechu Hydroelectric Project Authority (MHPA), Tangsibji Hydro Energy Limited (THyE) and RGoB.



Paro Division

GBCL has officially taken over 42 plantation sites for maintenance with total area of 263.38 hectares and 47.82 acres of new creation of plantation from Divisional Forest Office, Paro on 13th December 2017.



Mongar Division

GBCL has officially taken over 22.38 hectares of maintenance of plantation sites from Divisional Forest Office, Mongar on 29th December 2017.



Auditor's Report

GREEN BHUTAN CORPORATION LIMITED

Statement of Financial Position as at 31st December, 2017

Particulars	Schedule No.	As at 31st December, 2017 Nu.	As at 31st December, 2016 Nu.
I. SOURCES OF FUNDS:			
(1) Shareholders' Fund			
Share Capital	1	4,18,56,185.85	3,82,465.85
Reserve & Surplus	2	-	-
Total (1+2)		4,18,56,185.85	3,82,465.85
II. APPLICATIONS OF FUNDS:			
(1) Fixed Assets	3		
(a) Gross Block		1,38,15,415.06	7,75,320.85
(b) Less: Accumulated depreciation		19,32,073.64	10,452.12
(c) Net Block		1,18,83,341.42	7,64,868.73
(2) Deferred Tax Asset		1,66,000.09	1,575.74
(3) Net Current Assets			
Current Assets, Loans and Advances (A)			
(a) Cash and Bank Balances	4	3,44,39,775.56	-
(b) Other Current Assets	5	1,06,75,502.15	-
		4,51,15,277.71	-
Less:			
Current Liabilities and Provisions (B)			
(a) Current Liabilities	6	1,38,07,541.87	7,55,011.00
(b) Provision for Corporate Tax		5,64,891.78	-
		1,43,72,433.65	7,55,011.00
Net Current Assets (A - B)		3,07,42,844.06	(7,55,011.00)
(4) Profit and Loss Account		9,35,999.72	(3,71,032.39)
Total (1+2+3)		4,18,56,185.85	3,82,465.85
Significant Accounting Policies	13		
Notes on Accounts	14		

The Schedules referred to above form an integral part of the accounts.

For Institute of Management Studies Limited

YESHI JAMTSHO, ACCA
SENIOR AUDITOR

Place : Thimphu, Bhutan

Date : 26th March, 2018

For and on behalf of the Board

DIRECTOR

CEO

Chief Executive Officer
Green Bhutan Corporation Limited
Thimphu

GREEN BHUTAN CORPORATION LIMITED

Statement of Comprehensive Income for the year ended 31st December, 2017

Particulars	Schedule No.	Year ended 31st December, 2017	Year ended 31st December, 2016
		Nu.	Nu.
INCOME			
Revenue from operation	7	3,08,41,282.70	-
Other income	8	1,48,67,539.48	-
		4,57,08,822.18	-
EXPENDITURE			
Material Consumed	9	2,05,74,438.97	-
Employee Benefits	10	1,65,06,040.39	1,23,200.00
Finance Charges	11	1,000.00	-
Administrative and Other Expenses	12	49,98,221.77	2,38,956.00
		4,20,79,701.13	3,62,156.00
Profit/(Loss) before Depreciation		36,29,121.05	(3,62,156.00)
Less : Depreciation	5	19,21,621.51	10,452.12
Profit/(Loss) before Taxation		17,07,499.54	(3,72,608.12)
Less : Prior Period Expenses		-	-
Less : (a) Provision for Corporate Tax		5,64,891.78	-
Profit/(Loss) After Taxation before Deferred Tax		11,42,607.76	(3,72,608.12)
Less : (a) Deferred Tax		(1,64,424.35)	(1,575.74)
Profit/(Loss) After Taxation after Deferred Tax		13,07,032.11	(3,71,032.39)
Balance brought forward from previous year		(3,71,032.39)	-
Balance carried to Balance Sheet		9,35,999.72	(3,71,032.39)
Basic Earning Per Share		-	-
Diluted Earning Per Share		-	-
Significant Accounting Policies	13		
Notes on Accounts	14		

The Schedules referred to above form an integral part of the accounts.

For Institute of Management Studies Limited


YESHI JAMTSHO, ACCA
SENIOR AUDITOR

For and on behalf of the Board


DIRECTOR


CEO

Place : Thimphu, Bhutan
Date : 26th March, 2017

Chief Executive Officer
Green Bhutan Corporation Limited
Thimphu

GREEN BHUTAN CORPORATION LIMITED
Statement of Changes in Equity as at 31st December, 2017


(Amount in Nu.)

PARTICULARS	SHARE CAPITAL	RETAINED EARNINGS	TOTAL
Balance as on 1st January, 2016			
Add: Share Capital Introduced in Kind	3,82,465.85	-	3,82,465.85
Less: Prior Period Expenses	-	-	-
Total Comprehensive Income for the Year			
Profit/(Loss)	-	(3,71,032.39)	(3,71,032.39)
CIT Adjustment	-	-	-
Adjustment of Asset Cost	-	-	-
Balance as on 31st December, 2016	3,82,465.85	(3,71,032.39)	11,433.46
Add: Share Capital Introduced	3,33,00,000.00	-	3,33,00,000.00
Add: Share Capital Introduced in kind	81,73,720.00	-	81,73,720.00
Less: Prior Period Expenses	-	-	-
Total Comprehensive Income for the Year			
Profit/(Loss)	-	13,07,032.11	13,07,032.11
CIT Adjustment	-	-	-
Adjustment of Asset Cost	-	-	-
Balance as on 31st December, 2017	4,18,56,185.85	9,35,999.72	4,27,92,185.57

For Institute of Management Studies Limited


YESHI JAMTSHO, ACCA
SENIOR AUDITOR

For and on behalf of the Board



DIRECTOR



CEO
Chief Executive Officer
Green Bhutan Corporation Limited
Thimphu

Place : Thimphu, Bhutan
Date : 26th March, 2018

GREEN BHUTAN CORPORATION LIMITED

Statement of Cash Flow for the period ended 31st December, 2017

Particulars	Year ended 31st December, 2017	Year ended 31st December, 2016
	Nu.	Nu.
1 NET PROFIT FROM OPERATING ACTIVITIES		
A. Net Profit/(Loss) after Tax	11,42,607.76	(3,72,608.12)
Add : Provision For Corporate Income Tax	5,64,891.78	-
Add : Adjustments	-	-
NET PROFIT/(LOSS) BEFORE TAX (A)	17,07,499.54	(3,72,608.12)
B. Adjustment For		
i) Non cash items - Depreciation	19,21,621.51	10,452.12
ii) Non operating activities - Finance Cost	-	-
(B)	19,21,621.51	10,452.12
C. Adjustment For Changes In Working Capital		
i) (Increase)/ Decrease In Inventories	-	-
ii) (Increase)/ Decrease In Sundry Debtors	-	-
iii) (Increase)/ Decrease In Other Current Assets	(1,06,75,502.15)	-
v) Increase/(Decrease) In Creditors & Other Liabilities	1,30,52,530.87	7,55,011.00
(C)	23,77,028.72	7,55,011.00
NET CASH INFLOW / (OUT FLOW) FROM OPERATING ACTIVITIES (1= A+B+C)	60,06,149.77	3,92,855.00
2 RETURN ON INVESTMENT & SERVICING OF FINANCE	-	-
3 TAXATION PAID	-	-
4 CAPITAL EXPENDITURE		
Purchase of Fixed Assets	(1,30,40,094.21)	(7,75,320.85)
Sale of Fixed Assets	-	-
5 NET CASH INFLOW / (OUT FLOW) FROM INVESTING ACTIVITIES (5= 2+3+4)	(1,30,40,094.21)	(7,75,320.85)
6 NET CASH INFLOW/(OUTFLOW) Before Financing Activities (6=1+5)	(70,33,944.44)	(3,82,465.85)
7 FINANCING ACTIVITIES		
i) Fresh Capital issued	4,14,73,720.00	3,82,465.85
ii) Fresh Unsecured Loan taken/(paid)	-	-
	4,14,73,720.00	3,82,465.85
8 NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS (8=6+7)	3,44,39,775.56	-

Note: Opening Balance

-

Closing Balance

3,44,39,775.56

Increase/(Decrease) in Cash and Cash Equivalents

3,44,39,775.56

For Institute of Management Studies Limited



YESHE JAMTSHO, ACCA
SENIOR AUDITOR

For and on behalf of the Board



DIRECTOR



CEO

Chief Executive Officer
Green Bhutan Corporation Ltd
Thimphu

Place : Thimphu, Bhutan

Head office

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